

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF PURCHASED GAS)	
ADJUSTMENT FILING OF MIKE)	CASE NO. 9535-T
LITTLE GAS COMPANY, INC.)	

O R D E R

On September 17, 1986, the Commission issued its Order in Case No. 9535 approving certain adjustments in rates and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased or a refund is received.

On August 28, 1989, Mike Little Gas Company, Inc. ("Mike Little") notified the Commission that its wholesale cost of gas was decreased by its supplier, Kentucky West Virginia Gas Company ("Kentucky West"), effective August 1, 1989. Mike Little submitted with its notice certain information in compliance with its purchased gas adjustment clause on file with this Commission.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission is of the opinion and finds that:

(1) Mike Little's notice of August 28, 1989 set out certain revisions in rates which Mike Little proposed to place into effect, said rates being designed to pass on the wholesale decrease in price from its supplier. Mike Little incorrectly calculated its decrease in rates using a rate of \$2.3564 per Dth

for Kentucky West instead of Kentucky West's August 1, 1989 rate of \$2.3495. The wholesale decrease in price to Mike Little from Kentucky West is \$10,932 or 20.6 cents per Mcf.

(2) Kentucky West filed an application for revised rates to become effective August 1, 1989 with the Federal Energy Regulatory Commission.

(3) Mike Little should file with this Commission the amount of any overcollections received from August 1, 1989 to the date the approved rates are implemented, along with a refund plan.

(4) Mike Little's corrected adjustment in rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 9535 dated September 17, 1986 is fair, just, and reasonable, in the public interest, and should be effective with gas supplied on and after August 1, 1989.

IT IS THEREFORE ORDERED that:


(1) The rates in the Appendix, attached hereto and incorporated herein, are fair, just, and reasonable and are approved effective with gas supplied on and after August 1, 1989.


(2) Within 30 days of the date of this Order, Mike Little shall file with this Commission its revised tariffs setting out the rates authorized herein.

(3) Within 30 days of the date of this Order, Mike Little shall file the amount of any excess revenues collected, along with a refund plan.

Done at Frankfort, Kentucky, this 18th day of September, 1989.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 9535-T DATED 9/18/89

The following rates and charges are prescribed for the customers served by Mike Little Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

RATES: Monthly

First 1 Mcf - Minimum Bill	\$5.5535 Per Mcf
All Over 1 Mcf	\$5.3364 Per Mcf

The base rate for the future application of the purchased gas adjustment clause of Mike Little Gas Company, Inc. shall be:

Commodity

Kentucky West Virginia Gas Company	\$2.3664 per Dth*
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*Including \$0.0169 Gas Research Institute Funding Charge